



PHARMACY'S BEST KEPT SECRET

U.S. PUBLIC HEALTH SERVICE

PHARMACY PROGRAMS

www.hhs.gov/pharmacy

July 2002



Who Are We?

The U.S. Public Health Service is the major health arm of the Federal government and the world's foremost health service. Composed of approximately 6,000 Commissioned Corps officers and 45,000 Civil Service employees, we are a principle component of the Department of Health and Human Services.

What is our mission?

- ☞ Promote the public health of the United States.
- ☞ Providing pharmaceutical care to Native Americans, federal prisoners, and members of the Coast Guard.
- ☞ Expanding knowledge through biomedical, behavioral, and health services research leading to the prevention and treatment of disease.
- ☞ Controlling and preventing disease.
- ☞ Improving the health care system, including development of innovations in health care.
- ☞ Assuring safe and effective use of drugs and medical devices
- ☞ Expanding national health resources.
- ☞ Responding to natural disasters, technological emergencies and biological & chemical terrorism.
- ☞ Shaping health work force, medical knowledge, technology, and other resources toward the goal of better health.

Where are we located?

Almost anywhere and everywhere in the U.S.A. Whether you prefer urban or rural, east or west, north or south; we have a location for you.

U.S. Public Health Service Commissioned Officer Pharmacists are assigned to the following agencies:

- ☞ Indian Health Service
- ☞ Food and Drug Administration
- ☞ Federal Bureau of Prisons
- ☞ National Institutes of Health
- ☞ U.S. Coast Guard
- ☞ Health Resources and Services Administration
- ☞ Centers for Disease Control and Prevention
- ☞ Agency for Toxic Substances and Disease Registry
- ☞ Substance Abuse and Mental Health Services Administration
- ☞ Agency for Health Care Research and Quality
- ☞ Immigration and Naturalization Service
- ☞ Center for Medicare and Medicaid Services

When should you apply?

The best time is now - whether you are still in school or just about to graduate - it's never too early to apply.

This would be a perfect time to start on the path to a pharmacy career, not a stagnant pharmacy job. If you are presently working and not happy with your job, this is definitely the best time to apply.

How do you apply?

Contact the Commissioned Corps Application Hotline at 800 279-1605 or access our Webpage at: www.usphs.gov

WHY SHOULD YOU BE A PART OF PHS PHARMACY?

QUALITY OF PRACTICE

When asked why they became a pharmacist, over 80% of respondents answered "***To help people.***" Did you spend all of those years in pharmacy school *to help people* rather than dealing with insurance companies and being put on hold? Would you prefer a practice wherein you are included in the decision process with other professionals, helping to manage treatment, utilizing the patient's medical record, and counseling every patient about their drug therapy? How about practice settings where you and other providers sit down as a team and talk about your patient's drug therapy? Would you like to really *use* your education to help people and make a difference?

OPPORTUNITIES FOR GROWTH

Imagine working for an organization that actually **wants** you to grow professionally, expanding your knowledge base as a part of your duties, so that you can effectively deal with the challenges of improving the public health. As a member of a single organization that has pharmacists in every state, you are involved in patient care, new drug approval and monitoring, medical research, healthcare policy, and epidemiology. You have opportunities to make an impact on the public health of this entire nation with only 1 state license.

QUALITY OF LIFE

Is your quality of life all that it could be? Is it important to you to have time to spend with your family and friends, doing the things you enjoy? As a Commissioned Officer in the U.S. Public Health Service (PHS), you receive 30 days of annual leave plus 10 federal holidays. Many duty stations operate Monday through Friday during the day.

Our organization allows you to pursue life in literally hundreds of locations - near the ocean, the mountains, the Grand Canyon, the Gulf Coast, or National Parks - from the largest cities to the smallest communities. Be prepared to enjoy a camaraderie and sense of common purpose unlike anything you have yet experienced.

BENEFITS

RETIREMENT ■ Commissioned Corps pharmacists receive a non-contributory retirement annuity, and are immediately eligible to **retire after serving for 20 years** (compared to many plans that do not begin to pay until age 62). Presently, an officer at the rank of Captain (O-6) with a 20 year career will receive \$41,688 in annual retirement income. Retirees also receive annual cost of living adjustments. Based on an average life expectancy of 78 years, a 20 year retiree at age 43 could expect to receive **over \$1.5 million** in present dollar value. Retirement pay increases dramatically for those who serve a full 30 year career. In addition, Commissioned officers are eligible to participate in the Thrift Savings Plan, an additional tax-exempt retirement savings program.

INSURANCE ■ **Medical** benefits are available to you and your dependents with no payroll deduction, deductibles or co-pays for covered medical benefits if living within the catchment area of a military medical facility. Nominal deductibles and co-pays apply to your family (but not the officer) if you don't live near a military facility. **Dental** benefits are available at no cost to the officer, and a nominal charge for family members. **Life** insurance is available to the officer and family members at extremely low rates. **Malpractice** insurance is not necessary when practicing in a federal facility.

PERKS ■ Commissioned officers and their dependents have access to military bases, exchanges, guest housing, commissaries and eligibility to travel at no cost on military aircraft (MAC) flights. (Dependents may only use MAC flights outside the continental United States). Moving expenses are paid by the government. Commissioned officers may qualify for the G.I. bill to supplement additional educational pursuits. Officers may also qualify for housing loans through the Veterans Administration.

COMPENSATION

Although it is difficult to compare your "take home pay" in the service with someone in the private sector because of assorted non-taxable income and benefits, the following table, based upon 2002 data, is an estimated comparison with an annual private sector salary of \$80,000.

COMMISSIONED CORPS PHARMACIST PAY

Table 1: Estimated Monthly Salary Comparison for Pharmacist with Dependent(s)¹

	PHS Officers	PHS Officers	PHS Officers	PHS Officers	PHS Officers	Private Sector
Salary Base	0-3 with less than 2 yrs service	0-3 with over 3 yrs service	0-4 with over 4 yrs service	0-4 with over 10 yrs service	0-6 with over 20 yrs service	\$80,000
Monthly Base Pay (taxable)	\$2797	\$3422	\$3983	\$4696	\$6948	\$6667
Variable Special Pay (taxable, FICA exempt) ²	\$250	\$583	\$583	\$1000	\$667	\$0
Subsistence (non-taxable)	\$166	\$166	\$166	\$166	\$166	\$0
Housing) (non-taxable) ³	\$594-2861	\$594-2861	\$710-3162	\$710-3162	\$843-3402	\$0
Retirement Annuity ⁴	Non-contributory	Non-contributory	Non-contributory	Non-contributory	Non-contributory	\$583
Gross Income	\$3807-6074	\$4765-7032	\$5442-7894	\$6572-9024	\$8624-11183	\$6084
Fed Income Tax ⁵	\$290	\$383	\$517	\$789	\$1424	\$896
Social Security	\$173	\$212	\$247	\$291	\$430	\$377
Medicare	\$39	\$48	\$56	\$66	\$97	\$85
State Income Tax ⁶	May be exempt	May be exempt	May be exempt	May be exempt	May be exempt	\$365
Health Care Benefits ⁷	Non-contributory	Non-contributory	Non-contributory	Non-contributory	Non-contributory	\$334
Take Home Pay	\$3305-5572	\$4122-6389	\$4622-7074	\$5426-7878	\$6673-9232	\$4027

Other pay available: 1) A Pharmacist Accession Bonus of **\$30,000** is payable one time for an initial call to active duty with a 4 year commitment, and 2) Non-physician Board Certified Pay (NPBCP) is payable based upon the number of years of creditable service as an eligible BPS certified specialist; less than 10 years, \$2,000 (annually); 10 to 12 years, \$2,500; 12 to 14 years, \$3,000; 14 to 18 years, \$4,000; over 18 years, \$5,000.

¹ Dependent(s) are spouse and/or children

² Variable Special Pay: Special pay for pharmacists based on years of creditable service; less than 3 years, \$3,000 (annually); 3 to 8 years, \$7,000; 8 to 12 years, \$12,000; 12 to 14 years, \$10,000; 14 to 18 years \$9,000; 18 or more years, \$8,000.

³ The variation in the non-taxed housing allowance is dependent on the cost of living in the area where you are assigned. Officers with dependents receive more compensation compared to officers without dependents. The amounts shown are the lowest and highest possible housing allowances.

⁴ A **private sector** employee who contributes \$7,000 annually to a 401K, with \$3,500 matching funds by the employer, would receive \$24,768 annually in 20 years, assuming an 8% rate of return. This annuity would run out of funds in 25 years, assuming a 4% rate of inflation. The same employee with the same contribution for 30 years would receive \$61,313 annually, assuming an 8% rate of return. This annuity would run out of funds in 25 years, assuming a 4% rate of inflation. His **Commissioned Corps counterpart** would contribute nothing to his/her annuity, yet receive \$41,688 annually in 20 years, or 69,077 in 30 years in today's money - and the annuity would not run out of funds in his/her lifetime, no matter what the inflation rate might be.

⁵ Federal income tax computed based on filling a married filing joint return status with 2 exemptions the standard deduction using the 2001 Tax Table. Rate may be higher, depending on other income, or lower, depending on deductions.

⁶ Many states do not require officers on active duty to pay state income tax. Check applicable state tax code. The figure used on private sector pay is 6% of taxable income.

⁷ Medical insurance premium based on the employee cost of a comparable comprehensive health insurance package, and are from July 2002 statistics from the Health Insurance Association of America. However, the health plan available to Commissioned Corps officers is **nothing** out of pocket - as compared to all private sector health plans that have assorted deductibles. Therefore, determining the premium for an equivalent policy is not possible.

COMMISSIONED CORPS PHARMACIST PAY

Table 2: Estimated Monthly Salary Comparison for Pharmacist without Dependent(s)¹

	PHS Officers	PHS Officers	PHS Officers	PHS Officers	PHS Officers	Private Sector
Salary Base	0-3 with less than 2 yrs service	0-3 with over 3 yrs service	0-4 with over 4 yrs service	0-4 with over 10 yrs service	0-6 with over 20 yrs service	\$80,000
Monthly Base Pay (taxable)	\$2797	\$3422	\$3983	\$4696	\$6948	\$6667
Variable Special Pay (taxable, FICA exempt) ²	\$250	\$583	\$583	\$1000	\$667	\$0
Subsistence (non-taxable)	\$166	\$166	\$166	\$166	\$166	\$0
Housing (non-taxable) ³	\$506-2540	\$506-2540	\$622-2739	\$622-2739	\$677-2739	\$0
Retirement Annuity ⁴	Non-contributory	Non- contributory	Non- contributory	Non- contributory	Non- contributory	\$583
Gross Income	\$3719-5753	\$4677-6711	\$5354-7471	\$6484-8601	\$8458-10520	\$6084
Fed Income Tax ⁵	\$386	\$557	\$803	\$1114	\$1687	\$1221
Social Security	\$173	\$212	\$247	\$291	\$430	\$377
Medicare	\$39	\$48	\$56	\$66	\$97	\$85
State Income Tax ⁶	May be exempt	May be exempt	May be exempt	May be exempt	May be exempt	\$365
Health Care Benefits ⁷	Non-contributory	Non- contributory	Non- contributory	Non- contributory	Non- contributory	\$150
Take Home Pay	\$3121- 5155	\$3860- 5894	\$4248- 6365	\$5013- 7130	\$6244- 8306	\$3886

Other pay available: 1) A Pharmacist Accession Bonus of **\$30,000** is payable one time for an initial call to active duty with a 4 year commitment, and 2) Non-physician Board Certified Pay (NPBCP) is payable based upon the number of years of creditable service as an eligible BPS certified specialist; less than 10 years, \$2,000 (annually); 10 to 12 years, \$2,500; 12 to 14 years, \$3,000; 14 to 18 years, \$4,000; over 18 years, \$5,000.

¹ Dependent(s) are spouse and/or children

² Variable Special Pay: Special pay for pharmacists based on years of creditable service, less than 3 years, \$3,000(annually); 3 to 8 years, \$7,000; 8 to 12 years, \$12,000; 12 to 14 years, \$10,000; 14 to 18 years \$9,000; 18 or more years, \$8,000.

³ The variation in the non-taxed housing allowance is dependent on the cost of living in the area where you are assigned. Officers with dependents receive more compensation compared to officers without dependents. The amounts shown are the lowest and highest possible housing allowances.

⁴ A **private sector** employee who contributes \$7,000 annually to a 401K, with \$3,500 matching funds by the employer, would receive \$24,768 annually in 20 years, assuming an 8% rate of return. This annuity would run out of funds in 25 years, assuming a 4% rate of inflation. The same employee with the same contribution for 30 years would receive \$61,313 annually, assuming an 8% rate of return. This annuity would run out of funds in 25 years, assuming a 4% rate of inflation. His **Commissioned Corps counterpart** would contribute nothing to his/her annuity, yet receive \$41,688 annually in 20 years, or 69,077 in 30 years in today's money - and the annuity would not run out of funds in his/her lifetime, no matter what the inflation rate might be.

⁵ Federal income tax computed based on filing a married filing joint return status with 2 exemptions the standard deduction using the 2001 Tax Table. Rate may be higher, depending on other income, or lower, depending on deductions.

⁶ Many states do not require officers on active duty to pay state income tax. Check applicable state tax code. The figure used on private sector pay is 6% of taxable income.

⁷ Medical insurance premium based on the employee cost of a comparable comprehensive health insurance package, and are from July 2002 statistics from the Health Insurance Association of America. However, the health plan available to Commissioned Corps officers is **nothing** out of pocket - as compared to all private sector health plans that have assorted deductibles. Therefore, determining the premium for an equivalent policy is not possible.